

PENNSYLVANIA HIGHER EDUCATION ASSISTANCE AGENCY1200 N. Seventh Street
Harrisburg, PA 17102**RICHARD E. WILLEY****President and Chief Executive Officer,
Pennsylvania Higher Education Assistance Agency**

Richard E. Willey, born Oct. 3, 1945, in Hardwick, Vt., son of Ervin L. and the late Julia V. Willey; Peoples Acad., 1963; Johnson State Coll. (B.S.), hist./econ., 1971; Penn State Univ., Inst. for Pub. Adm. (M.P.A.), 1972; U.S. Army, 1964-67; Gov.'s Budget Office, 1972-75; sr. fin. advisor, House Appropriations Comm., 1975-84; exec. dir., Senate Appropriations Comm., 1984-86, House Appropriations Comm., 1986-92; sr. govt. affairs spec., Law Firm of Stevens & Lee, 1993-2002; teacher, govt. budgeting & state govt. decision-making seminars, Univ. of Pa., Penn State Univ.; bd. mem., Phila. Reg. Port Auth., Pa. Indus. Dev. Auth., Capital Reg. Econ. Dev. Corp., Susquehanna Area Reg. Airport Auth. Adv. Comm., Tri-Co Reg. Planning Comm.; found. mem., Whitaker Ctr. for Science & the Arts; past chap. chair, Amer. Red Cross of the Susquehanna Valley; Johnson State Coll. Disting. Alumni of the Yr.-2000; apptd. COO, Pennsylvania Higher Education Assistance Agency 2002, elected President & CEO Dec. 2002; married Rosalind Weiss.

Chair: Elinor Z. Taylor **Vice Chair:** Vincent J. Fumo **Members:** William F. Adolph Jr., Francis V. Barnes, Ronald I. Buxton, Jake Corman, J. Doyle Corman, Vincent J. Hughes, Charles D. Lemmond, Sean Logan, Sandra J. Major, Joseph F. Markosek, Michael A. O'Pake, Dr. Michael L. Penn, Roy Reinard, James J. Rhoades, James R. Roebuck Jr., Jess M. Stairs, Stephen H. Stetler, Robert M. Tomlinson

The Pennsylvania Higher Education Assistance Agency (PHEAA) was established in 1963 to improve higher education opportunities for residents of the Commonwealth by guaranteeing and originating federal student loans, administering and awarding Pennsylvania State Grants, and administering work study, loan forgiveness, and institutional assistance grants programs. In 1974, the Agency was given legislative authority to market its loan servicing system to lenders and other states, enabling the Agency to earn income with which to fund additional student aid programs and to fund its own administrative costs, including all costs to administer the Commonwealth's programs of student aid.

Administration – The Agency is governed and all its corporate powers exercised by a board of directors. It is administered by a staff headed by the President and Chief Executive Officer who is appointed by the board of directors. The board consists of 20 members: the Secretary of Education, three members appointed by the Governor, eight members by the President Pro Tempore of the Senate, and eight by the Speaker of the House. Members serve without pay, but are reimbursed for actual and necessary expenses.

Students are able to obtain low-interest educational loans from private lenders under the Federal Family Educational Loan (FFEL) program, which includes Stafford, PLUS, and Consolidation Loans. Repayment of these loans is guaranteed by the Agency. Legislation enacted in 1982 allowed the Agency to sell tax-exempt bonds to provide additional programs of direct loans to students and parents. These low-cost guaranteed loan programs include the Keystone Family of Student Loan Programs, which features KeystoneBEST, offering Pennsylvania students the nation's most affordable student loan.

Using funds appropriated by the General Assembly, the Agency awards State Grants to students based on the students' demonstrated financial need. By authority of the Veterans Education Act of 1971, the Agency was given the responsibility of administering a program of educational benefits for veterans of the Vietnam conflict. In 1972, authority was given for a program to provide scholarship aid to dependents of service people who were or are missing in action or were prisoners of war.

In cooperation with educational institutions, community-based organizations and the federal government, work-study programs and other matching funds programs enable students who require further assistance to help with their educational costs.

The passage of the Institutional Assistance Grants Act in 1974 allowed eligible private institutions of higher education to receive state funds based on the number of state grant students in attendance at the institution.

PHEAA also administers for the Commonwealth the New Economic Technology Scholarship (NETS) Program, which makes scholarships available to undergraduate students studying in approved science or technology fields.

In 2002, PHEAA's Board of Directors created the Pennsylvania Higher Education Foundation (PHEF) to help nursing students pay for their education while addressing the serious nursing shortage within the Commonwealth. The PHEF utilizes private funds to administer the Nursing Education Grant Program, which provides scholarships to students pursuing nursing degrees at Pennsylvania nursing schools. The Foundation also offers scholarships for graduate students in specific areas of the Commonwealth.

The Armed Forces Loan Forgiveness Program was created by the PHEAA Board of Directors to recognize and thank those servicemen and women who served in the aftermath of the terrorist attacks on our nation. The program forgives up to \$2,500 for borrowers with an AES-serviced student loan who served in an active-duty status between September 11, 2001 and June 30, 2005.

PHEAA, operating as American Education Services outside of Pennsylvania, manages more than \$56.5 billion in total assets and serves nearly four million students nationally through its guaranty, servicing, and financial aid processing systems. The funds generated from its operations are used to self-fund administrative costs, improve higher education opportunities, lower the cost of financial assistance for students and families, and streamline processes for the higher education community.



As a self-funded organization with operations similar to a not-for-profit business, AES/PHEAA provides more than \$120 million annually in public service benefits to Pennsylvania families – including the nation's lowest-cost student loans and powerful Internet-based solutions – at no cost to taxpayers.

EXECUTIVE	Appointed Since 1964
Jack Critchfield	Mar.13, 1964
Kenneth R. Reeher.....	July20, 1964
Jay W. Evans	Apr.30, 1992
Michael H. Hershock	Sept.6, 1994
* Richard W. Willey	Dec.27, 2002
* Incumbent	